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Arizona Labor Market NEWSLETTER

Arizona Department of Economic Security

Vol. VII No. 12
December 1983

Unemployment Rate

Seasonally Adjusted
October*

ARIZONA	7.7%
Maricopa Co.	6.1%
Pima Co.	7.4%
UNITED STATES	8.8%

Consumer Price Index

National-September
1967 - Base Year

Wage Earner/Clerical Worker -	300.8
% Chg. Yr. Ago	2.7
All Urban -	301.8
% Chg. Yr. Ago	2.9

Phoenix-3rd Qtr.
1977 - Base Year

All Urban -	173.2
% Chg. Yr. Ago	1.5

Producer Price Index

National-October*
1967 - Base Year

All Commodities-	306.3
% Chg. Yr. Ago	2.2
Finished Goods -	287.9
% Chg. Yr. Ago	1.3

* Preliminary

ARIZONA FLOOD VICTIMS RECEIVE DUA BENEFITS

Nine Arizona counties were declared a disaster area by President Reagan during the month of October. Storms that occurred in late September-early October caused flooding which claimed 12 lives, displaced as many as 10,000 people and disrupted transportation throughout the state. The cities of Tucson, Marana and Clifton were among the hardest hit.

Statewide, 1,411 residences were damaged by floods, with 282 destroyed and 551 receiving major damage. Other losses were to crops, livestock, land and public facilities. Damage estimates from the September-October flood have reached $500 million.

The town of Clifton suffered the most concentrated flood damage. Ninety homes were destroyed and 181 sustained major damage. In addition, 106 Clifton businesses were destroyed or damaged. A flood-mitigation report prepared by the Federal Emergency Management Agency (FEMA) estimates total damage in Clifton at $9.5 million.

FEDERAL DISASTER PROGRAMS AVAILABLE

A number of federal disaster relief programs were made available to Arizona's flood victims shortly after the floods occurred. The Small Business Administration (SBA) provided low interest loans to homeowners, renters and businessmen whose homes or workplaces were damaged by floodwaters. The Farmers Home Administration (FmHA) provided loans similar to those initiated by SBA for farmers. Loans were provided only to those individuals whose losses were not covered by insurance. FEMA also provided cash grants, of up to $5,000, for people who did not qualify for other federal insurance programs. Federal disaster-assistance centers served 3,257 flood victims during the month of October.

In addition to the programs described above, the federal government provided disaster unemployment aid to individuals who were unable to work because of the floods. This program is essential to unemployed disaster victims because many have limited resources to rely on during a period when cleanup expenses are needed and daily living costs dramatically increase.

DUA PROGRAM

Disaster Unemployment Assistance (DUA) is a special form of unemployment compensation payable to unemployed workers and unemployed self-employed individuals whose jobs are lost as a direct result of major disaster. DUA is a part of the Disaster Relief Act of 1974 (Public Law 93-288).

Payment of DUA funds are made to unemployed workers if, as a direct result of major disaster, the individual:

1. No longer has a job;

2. Is unable to reach the worksite;

3. Was to commence work and does not have a job or is unable to reach the worksite;

4. Has become the breadwinner or major support for a household because the head of household died, or

5. Cannot work because of disaster-incurred injury.

A self-employed person or non-covered worker can also seek the assistance if unemployment is a direct result of disaster. Covered workers become eligible only if they do not qualify for state unemployment benefits.

To qualify for DUA funds the individual must file an application within 30 days of the announcement date (beginning of disaster period) and must be available for work. Eligibility for DUA terminates upon return to work.

The DUA weekly payment amount is computed in accordance with the state law formula used to compute weekly benefit amounts under the regular unemployment insurance program. The DUA amount payable to an individual is reduced by wages earned in that week or if the individual receives, or upon application is eligible to receive, any of the following:

1. Unemployment compensation under any state or federal law;

2. Any amount as a supplemental unemployment benefit (SUB);

3. Any type of private income protection insurance;

4. Any other type of benefit or loss of wages due to illness or disability.

Once approved, the weekly payments range from $40 a week to a maximum of $115 per week.

A uniform disaster period is established for all applicants with respect to each disaster. It begins the first week after a major disaster occurs and ends approximately one year later. However, the disaster

period may end sooner if the federal coordinating officer determines that unemployment in the area is no longer attributable to the disaster.

DUA BENEFITS TO ARIZONA WORKERS

DUA personnel conducted a total of 1,067 interviews during the month of October. Interviews were conducted at 12 established disaster centers, 4 mobile units and numerous state Economic Security Offices. Eight hundred sixty-three initial applications were filed by unemployed workers, with approximately 578 claims approved. As of October 31st, a total of $39,820 DUA benefits had been paid to unemployed flood victims.

Approximately 285 claims were disapproved by DUA. The majority of these claims were disapproved because unemployment was not determined to be a direct result of disaster or because unemployed workers qualified for state unemployment benefits.

A total of 108 DUA claims were filed by self-employed individuals during the month of October. Of these, approximately 65 percent were approved. Self-employed individuals are seldom covered under the state Unemployment Insurance Program.

Unemployed workers from the town of Clifton filed approximately 128 claims at disaster centers during the month of October. About 75 percent of these claims were approved. These figures do not include those claims by unemployed Clifton residents filed at Economic Security Offices.

A number of copper mines were forced to close or reduce operations during October due to flood damage or water supply problems. In Gila County 600 copper miners were laid off while repairs were made. In Pinal County, 250 miners from Kearney were also laid off. DUA benefits were dispersed to qualified miners until they could return to work. The majority received DUA benefits for one week. DUA statistics for other occupational groups are not yet available.

The DUA program has been very successful in meeting the needs of unemployed flood victims throughout Arizona. Ed Patrick and Del Zahnleiter, co-directors of the DUA program in Arizona, have been responsible for implementing the program and providing assistance to unemployed flood victims. The DUA program is considered vital because it pays benefits faster than any other disaster program and covers workers who do not qualify for state Unemployment Insurance benefits (i.e., self-employed and non-covered workers). According to Mr. Patrick, "Many of these unemployed people come into the office after having lost everything. We were able to start paying benefits about one week after the disaster centers opened."

The DUA program was also instituted following floods that took place along the Colorado River this year. Of the 183 applications filed, 56 claims were approved. Eighteen unemployed workers are still receiving benefits due to high water levels along the Colorado River. Most of the claimants were denied benefits because their unemployment was not considered a direct result of the disaster (i.e., lost tourism revenue not directly attributable to floodwater damage).

Guy Wilson

JTPA - ARIZONA IMPLEMENTS ITS PROGRAM

On October 13, 1982 President Reagan signed into law the new Job Training Partnership Act (JTPA). JTPA is, in effect, a replacement for the Comprehensive Employment and Training Act (CETA) which ended on September 30, 1983. But JTPA is more than CETA with a new name. While JTPA retains many of the concepts of CETA, a number of new and innovative features were added. The Job Training Partnership Act provides new authority and responsibility to states and local areas administering employment and training programs statewide. Under JTPA, an equal partnership between the local business community and public sector is created for the purpose of developing and administering local programs. JTPA's primary emphasis is on training economically disadvantaged individuals in demand occupations. This is accomplished through an active partnership of private sector, public sector and interested individuals who know about the various employment opportunities in their area. Additionally, success or failure under JTPA will be measured through specific performance standards.

In Arizona, JTPA funds are received by the Governor from the Department of Labor. These funds are then distributed to designated areas within the state referred to as Service Delivery Areas (SDAs). Funds are allocated to each SDA based upon a formula provided in the law, and are then used by the SDAs to establish a variety of employment and training programs including skills training, on-the-job training, vocational programs and job search assistance. The state of Arizona is currently divided into eleven Service Delivery Areas (see below).

The priority of the programs, their evaluation and the oversight of funds constitute the major duties of each SDA's Private Industry Council (PIC). Each PIC is composed of individuals representing the private business sector, local labor unions, economic development agencies, employment services, local educational agencies, rehabilitation agencies and community-based organizations. The Act specifically mandates that a majority of the membership of each PIC must be composed of representatives from the private business sector.

The Arizona State Job Training Coordinating Council advises the Governor on the operation of job training programs in the state while coordinating and studying both public and private employment and training programs. This thirty-member Council appointed by Governor Babbitt draws its representatives from business, education, labor organizations, community organizations, elected officials and the general public. During the past several months, the Arizona Council has recommended SDA designations, Private Industry Council certifications, and reviewed each job training plan from the Service Delivery Areas. The Arizona Council also recommended to the Governor the Coordination and Special Services Plan which records the principles by which the JTPA is administered in Arizona and guides local plan development. Most importantly, the Coordination and Special Services Plan makes public Arizona's goals and objectives for employment and training, the directions for coordination, specific performance standards and the plans for state administered funds.

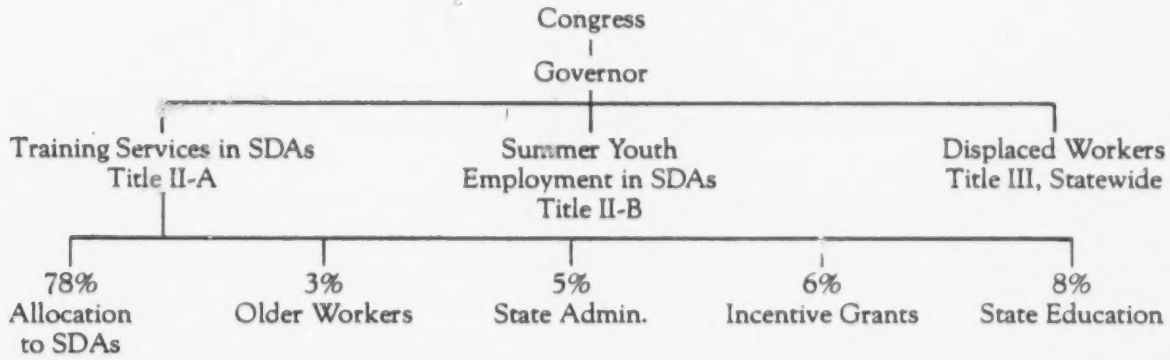
Arizona anticipates receiving approximately $22 million in funds to operate the state JTPA program over the next twelve months. Of the total amount received by the Governor, 78 percent will be passed through to the Service Delivery Areas to operate their programs. Of the remaining 22 percent, 3 percent will be used to establish "Older Workers" programs in the state; 5% will be used for overall state administrative costs; 6% will be used to provide extensive technical assistance to the Service Delivery Areas as well as to provide funds for innovative programs; and 8% will be used by the Arizona Department of Education for vocational education programs.

At the local level, funds are split into three categories - administration, participant support and training. No more than 15 percent of the funds made available to the Service Delivery Areas may be spent on administration. A similar limit is applied to participant support, with the remaining 70 percent of the funds going directly to training. The Job Training Partnership Act seeks to coordinate and combine numerous human service programs, including welfare, unemployment insurance, food stamps, vocational rehabilitation, vocational education and the employment service. Since all of these services are available in each service delivery area, the Coordination and Special Services Plan directs the PICs and local planners to work with existing services and to avoid duplicative efforts.

The Bureau Chief for the JTPA program at the state level is Jose Gabriel Loyola. He can be reached at 255-3957.

Jeffrey D. Bowman

TRANSFER OF STATE CONTROLLED JTPA FUNDS



* Older Workers — Oversight provided by the DES Adult and Aging Administration. The funds are targeted to new initiatives for employment of persons 55 years of age and above.

* State Administration and Incentive Grants — Administered by the Job Training Partnership Administration, DES. These funds provide for state administration, audits and accounting, Arizona Council expenses, labor market information costs and special grants to exemplary local programs.

* State Education Grant — Administered by Division of Vocational Education, Arizona Department of Education. This grant offers SDAs funds for innovative training in high demand occupations as well as coordination between education and training programs.

THE JOB TRAINING PARTNERSHIP ACT IN ARIZONA

SERVICE DELIVERY AREAS

The lined areas represent consortia. The unlined areas are single, separate service delivery areas.

TRIBAL SERVICE DELIVERY AREA

Arizona's tribal governments have formed a consortium and the reservations comprise one service delivery area.

JTPA SERVICE DELIVERY AREA	TELEPHONE NUMBER	AREA SERVED
City of Phoenix	262-6776	Phoenix City Limits
Maricopa County	261-5911	Maricopa County Limits excluding Phoenix
Pima County	792-8688	Pima County Limits
Gila/Pinal Consortium	868-5878	Gila and Pinal County Limits
Sixco Consortium	779-6668	LaPaz, Mohave, Coconino, Yavapai, Navajo, Apache County Limits
Yuma County	344-3778	Yuma County Limits
Graham County	428-7386	Graham County Limits
Cochise County	432-5301	Cochise County Limits
Greenlee County	865-3322	Greenlee County Limits
Santa Cruz County	287-4778	Santa Cruz County Limits
All Reservation Consortium	255-3957	Any designated reservation in Arizona

THE ARIZONA LABOR FORCE IN OCTOBER 1983

Arizona's unemployment rate fell another half percentage point in October to 7.7 percent marking the third month in a row Arizona's rate fell by a half percentage point or more. The United States' rate in October fell by an equal increment to 8.8%. While Arizona's unemployment fell to 103,700, another 21,800 jobs were added to the state's economy raising total employment to 1,267,000, the highest level ever attained in Arizona.

October normally marks the beginning of major hiring activity in retail trade for the coming Christmas season. This year, Arizonans found 2,300 new jobs in that sector. Measured by the amount of hiring activity in October, this is the best season for Arizona in four years. Eighty-seven percent of the state's retail trade industry employment increase came in Maricopa County, however, even though Phoenix area trade employment is only 64 percent of the state's.

Services is another industry that realized strong seasonal gains in October. The services group added 4,300 jobs, 1,100 of them in the hotels and motels component alone. The hotel and motel increases reflect the presence of new establishments, and optimism for the approaching tourist season. Gains this October were the best in five years. Other services employment gains were in landscaping services, amusement and recreation, and private schools.

Construction and manufacturing each continued to climb out of the recession, but at a slower pace than in previous months. Only 500 jobs were added in construction compared to early summer gains of several thousand month to month. Although a total of 27,800 jobs were lost during the 31 months of construction's recession, only 13,600 have been regained between March 1982 and October 1983.

Manufacturing, too, gave a lack-luster performance in October gaining only 200 overall. Manufacturing's recession started later (August 1981), bottomed sooner (February 1983), and is recovering faster (55 percent to date) than the construction industry recession. There is every reason to believe manufacturing will not only regain the August 1981 peak, but will surpass it in 1984.

On the other hand, copper mining's gain of 100, although encouraging, offers small hope for substantial improvement in that industry. October copper mining employment of 12,600 remains 100 percent below peak employment last seen in that industry in December 1974. Neither domestic nor world copper market conditions offer adequate promise of substantial improvement. The effect of improved domestic auto sales, for example, is being offset by substitutions of other materials for copper. The national residential construction industry has also been making substitutions, and that industry's recovery has slowed nationally as well. In addition, foreign copper producers in third world countries are being forced to continue producing copper for a glutted market in order to obtain currency for international trade.

In summary, it is the population-serving industries that are performing most impressively so far this year. Public school employment, despite losses in some school districts, achieved the highest employment level ever in October. Service industry components also set records last month. Record setters included health services, business services and "other services" composed of amusement and recreation, agricultural, legal, educational and miscellaneous services. In addition, the metropolitan areas benefitted most from improvements that did occur. Recent flooding conditions in southeastern counties generated some construction repair employment, but agricultural areas suffered damaged cotton and delayed harvests. Although amusement services employment increased seasonally in the metropolitan areas, it did not increase in normal seasonal amounts in the rural counties.

The outlook for Arizona in the coming season is unquestionably positive in Maricopa and Pima Counties. A good Christmas and tourism season will generate even more trade and services employment, and records will be set anew in November and December.

Arizona Labor Force and Employment

October 1983 (in thousands)

	ARIZONA				
				-- Amt Change --	
	Oct.* 1983	Sep. 1983	Oct. 1982	Sep. to Oct.	1982 to 1983
TOTAL CIVILIAN LABOR FORCE	1370.7	1351.6	1344.7	+19.1	+26.0
Total Unemployment	103.7	106.4	146.3	-2.7	-42.6
Rate	7.6	7.9	10.9	---	---
Rate (Sea. Adj.)**	7.7	8.2	11.2	---	---
Total Employment	1267.0	1245.2	1198.4	+21.8	+68.6

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1066.6	1053.1	1032.5	+13.5	+34.1
Manufacturing	156.3	156.1	150.7	+0.2	+5.6
Durable Goods	121.2	121.2	116.2	+0.0	+5.0
Stone, Clay and Glass	5.7	6.1	4.9	-0.4	+0.8
Primary and Fabricated Metals	13.8	14.1	14.6	-0.3	-0.8
Primary Metals	6.3	6.6	6.9	-0.3	-0.6
Fabricated Metals	7.5	7.5	7.7	+0.0	-0.2
Machinery	61.8	61.5	61.1	+0.3	+0.7
Other Durable Goods	39.9	39.5	35.6	+0.4	+4.3
Aircraft and Missiles	18.2	18.0	16.5	+0.2	+1.7
Lumber and Wood Products (Except Furniture)	6.2	6.2	5.0	+0.0	+1.2
All Other Durable Goods	15.5	15.3	14.1	+0.2	+1.4
Nondurable Goods	35.1	34.9	34.5	+0.2	+0.6
Food and Kindred Products	8.6	8.6	9.1	+0.0	-0.5
Apparel	5.0	4.8	4.8	+0.2	+0.2
Printing and Publishing	12.1	12.0	11.7	+0.1	+0.4
All Other Nondurable Goods	9.4	9.5	8.9	-0.1	+0.5
Mining and Quarrying	15.6	15.5	15.6	+0.1	+0.0
Copper Mining	12.6	12.5	12.6	+0.1	+0.0
Other Mining and Quarrying	3.0	3.0	3.0	+0.0	+0.0
Construction	76.4	75.9	64.2	+0.5	+12.2
Trans., Communications, and Public Utilities	55.8	55.9	56.4	-0.1	-0.6
Transportation	23.4	23.5	23.5	-0.1	-0.1
Communications and Public Utilities	32.4	32.4	32.9	+0.0	-0.5
Trade	257.8	254.6	253.8	+3.2	+4.0
Wholesale Trade	51.8	50.9	50.7	+0.9	+1.1
Retail Trade	206.0	203.7	203.1	+2.3	+2.9
General Merchandise and Apparel	37.1	36.4	37.2	+0.7	-0.1
Food Stores	32.8	32.5	32.7	+0.3	+0.1
Automotive and Service Stations	24.4	24.4	24.3	+0.0	+0.1
Eating and Drinking Places	70.5	70.0	68.7	+0.5	+1.8
Other Retail Trade	41.2	40.4	40.2	+0.8	+1.0
Finance, Insurance, and Real Estate	63.0	62.9	61.7	+0.1	+1.3
Services and Miscellaneous	229.0	224.7	221.3	+4.3	+7.7
Hotels and Other Lodging Places	23.4	22.3	22.8	+1.1	+0.6
Business Services	43.3	42.5	40.4	+0.8	+2.9
Health Services	62.6	62.2	61.1	+0.4	+1.5
Other Services	99.7	97.7	97.0	+2.0	+2.7
Government	212.7	207.5	208.8	+5.2	+3.9
Federal	38.6	38.6	38.0	+0.0	+0.6
State and Local	174.1	168.9	170.8	+5.2	+3.3
School	108.3	103.3	105.5	+5.0	+2.8

* Preliminary

** Normal seasonal variations have been eliminated to reflect underlying economic trends.

NOTE--Data has been adjusted to the 1972 Standard Industrial Classifications (SIC).

October 1983 (in thousands)

MARICOPA COUNTY					PIMA COUNTY				
			-- Amt Change --					-- Amt Change --	
Oct.* 1983	Sep. 1983	Oct. 1982	Sep. to Oct.	1982 to 1983	Oct.* 1983	Sep. 1983	Oct. 1982	Sep. to Oct.	1982 to 1983
842.7	828.6	818.5	+14.1	+24.2	256.3	253.7	249.9	+2.6	+6.4
50.6	51.4	71.7	-0.8	-21.1	18.8	19.1	27.0	-0.3	-8.2
6.0	6.2	8.8	---	---	7.3	7.5	10.8	---	---
6.1	6.5	9.0	---	---	7.4	7.8	10.9	---	---
792.1	777.2	746.8	+14.9	+45.3	237.5	234.6	222.9	+2.9	+14.6

SE USED FOR ECONOMIC ASSISTANCE PROGRAMS.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

680.9	670.6	655.9	+10.3	+25.0	198.8	196.9	192.1	+1.9	+6.7
111.8	111.7	108.6	+0.1	+3.2	26.8	26.7	25.2	+0.1	+1.6
88.4	88.4	85.9	+0.0	+2.5	21.9	21.7	20.4	+0.2	+1.5
3.5	3.8	2.9	-0.3	+0.6					
8.7	9.1	9.6	-0.4	-0.9					
49.3	48.9	48.7	+0.4	+0.6					
26.9	26.6	24.7	+0.3	+2.2					
23.4	23.3	22.7	+0.1	+0.7	4.9	5.0	4.8	-0.1	+0.1
5.2	5.3	5.7	-0.1	-0.5					
2.5	2.4	2.3	+0.1	+0.2					
8.9	8.8	8.6	+0.1	+0.3					
6.8	6.8	6.1	+0.0	+0.7					
0.6	0.5	0.6	+0.1	+0.0	3.4	3.4	3.9	+0.0	-0.5
51.9	51.6	43.0	+0.3	+8.9	15.1	15.1	12.1	+0.0	+3.0
35.5	35.4	35.5	+0.1	+0.0	8.7	8.8	9.1	-0.1	-0.4
15.3	15.3	15.1	+0.0	+0.2	3.9	3.9	4.0	+0.0	-0.1
20.2	20.1	20.4	+0.1	-0.2	4.8	4.9	5.1	-0.1	-0.3
172.1	169.5	169.2	+2.6	+2.9	43.1	42.8	43.2	+0.3	-0.1
41.3	40.7	40.1	+0.6	+1.2	6.1	6.1	5.9	+0.0	+0.2
130.8	128.8	129.1	+2.0	+1.7	37.0	36.7	37.3	+0.3	-0.3
23.7	23.1	23.8	+0.6	-0.1	6.7	6.5	7.1	+0.2	-0.4
21.1	20.9	20.9	+0.2	+0.2	5.2	5.2	5.4	+0.0	-0.2
14.8	14.8	14.7	+0.0	+0.1	4.3	4.3	4.4	+0.0	-0.1
43.0	42.5	42.4	+0.5	+0.6	13.3	13.2	12.9	+0.1	+0.4
28.2	27.5	27.3	+0.7	+0.9	7.5	7.5	7.5	+0.0	+0.0
48.6	48.4	48.0	+0.2	+0.6	9.4	9.4	8.7	+0.0	+0.7
153.2	148.8	146.5	+4.4	+6.7	44.8	44.2	43.2	+0.6	+1.6
13.9	12.4	13.4	+1.5	+0.5	3.4	3.2	3.1	+0.2	+0.3
35.4	34.7	32.7	+0.7	+2.7	6.3	6.2	6.1	+0.1	+0.2
41.8	41.4	40.3	+0.4	+1.5	13.4	13.4	13.4	+0.0	+0.0
62.1	60.3	60.1	+1.8	+2.0	21.7	21.4	20.6	+0.3	+1.1
107.2	104.7	104.5	+2.5	+2.7	47.5	46.5	46.7	+1.0	+0.8

-- Prepared by Labor Market Information, Research and Analysis (CPS-MOD, 1/83)

NONMETROPOLITAN COUNTIES LABOR FORCE AND EMPLOYMENT

October 1983 (Preliminary)

	Apache	Cochise	Coconino	Gila	Graham	Green-lee	La Paz
TOTAL CIVILIAN LABOR FORCE*.	14,800	30,275	36,125	14,750	8,400	3,825	5,150
Total Unemployment	2,200	2,725	2,850	2,575	1,325	275	700
Rate	14.9%	9.0%	7.9%	17.5%	15.8%	7.2%	13.6%
Rate (Seas. Adj.)**. . . .	15.4%	9.4%	8.7%	17.5%	15.7%	6.7%	-INA-
Total Employment	12,600	27,550	33,275	12,175	7,075	3,550	4,450
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS							
TOTAL WAGE AND SALARY. . . .	12,875	22,200	30,975	9,700	4,400	3,025	2,550
Manufacturing.	500	2,275	2,400	1,375	100	350	125
Mining and Quarrying	25	400	50	1,575	75	1,625	0
Construction	1,450	675	1,125	400	175	50	100
Trans., Comm., & Pub. Util..	1,600	1,400	2,275	325	175	50	50
Trade.	1,025	4,175	7,475	1,750	1,325	275	900
Fin., Insur., & Real Estate.	125	550	750	225	125	25	125
Services and Miscellaneous .	3,050	2,725	6,775	1,475	625	75	625
Government	5,100	10,000	10,125	2,575	1,800	575	625

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
TOTAL CIVILIAN LABOR FORCE*.	22,775	24,000	32,950	9,500	32,600	36,500
Total Unemployment	2,875	2,875	5,075	2,725	2,450	5,600
Rate	12.6%	12.0%	15.4%	28.7%	7.5%	15.3%
Rate (Seas. Adj.)**. . . .	12.8%	12.2%	15.3%	25.6%	7.7%	-INA-
Total Employment	19,900	21,125	27,875	6,775	30,150	30,900
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS						
TOTAL WAGE AND SALARY. . . .	15,075	16,325	23,425	6,625	17,900	21,950
Manufacturing.	2,250	1,675	2,475	725	1,900	1,625
Mining and Quarrying	275	1,100	5,325	25	1,050	75
Construction	975	625	725	175	1,125	1,750
Trans., Comm., & Pub. Util..	925	1,600	925	500	825	975
Trade.	4,425	3,425	3,625	2,675	4,625	6,875
Fin., Insur., & Real Estate.	600	300	575	250	725	675
Services and Miscellaneous .	2,425	3,450	1,825	900	3,350	3,725
Government	3,200	4,150	7,950	1,375	4,300	6,250

*Adjusted to the Current Population Survey (CPS) to reflect place of residence.
**Seasonal adjustment not applicable for economic assistance programs.

NOTE--Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

ARIZONA LABOR FORCE AND EMPLOYMENT FOR ECONOMIC ASSISTANCE PROGRAMS
September 1983 (Preliminary)

County	Civilian Labor Force	Employment	Unemployment	Rate
Statewide	1,351,407	1,245,036	106,371	7.9%
Apache	14,913	12,515	2,398	16.1
Cochise	30,029	27,291	2,738	9.1
Coconino	36,525	33,691	2,834	7.8
Gila	14,614	11,744	2,870	19.6
Graham	8,408	6,989	1,419	16.9
Greenlee	3,571	3,378	193	5.4
La Paz	5,196	4,456	740	14.2
Maricopa	829,225	777,829	51,396	6.2
Mohave	22,662	19,752	2,910	12.8
Navajo	23,921	21,028	2,893	12.1
Pima	252,480	233,448	19,032	7.5
Pinal	32,265	27,198	5,067	15.7
Santa Cruz	9,304	6,751	2,553	27.4
Yavapai	31,800	29,438	2,362	7.4
Yuma	36,494	29,528	6,966	19.1

Data have been adjusted to the 1972 Standard Industrial Classification (SIC). These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators. Note: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

ESTIMATED HOURS AND EARNINGS OF PRODUCTION WORKERS IN SELECTED INDUSTRIES IN ARIZONA

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVG. HOURLY EARNINGS		
	OCT.* 1983	SEP. 1983	OCT. 1982	OCT.* 1983	SEP. 1983	OCT. 1982	OCT.* 1983	SEP. 1983	OCT. 1982
FOR THE STATE OF ARIZONA*									
Manufacturing	373.60	368.83	334.18	41.1	40.8	38.5	9.09	9.04	8.68
Aircraft & Missiles	494.04	495.03	452.35	42.7	43.5	41.5	11.57	11.38	10.90
Food & Kindred Products	338.91	338.91	317.12	39.5	39.5	40.5	8.58	8.58	7.83
Primary Metals	462.53	461.77	436.45	38.1	37.3	36.1	12.14	12.38	12.09
Machinery	351.78	353.38	298.40	41.0	40.9	37.3	8.58	8.64	8.00
Copper Mining	493.98	513.32	485.58	36.7	38.8	36.4	13.46	13.23	13.34
Construction	457.14	454.21	461.10	38.0	37.2	35.8	12.03	12.21	12.88
Utilities	516.40	516.40	461.20	43.8	43.8	41.7	11.79	11.79	11.06
Retail Trade**	216.41	217.03	210.80	33.5	33.7	34.0	6.46	6.44	6.20
Wholesale Trade	347.11	347.11	326.10	39.4	39.4	38.5	8.81	8.81	8.47

* Preliminary
** Excludes eating and drinking places.
NOTE--These estimates are based on a sample of full and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. All data has been adjusted to the 1972 Standard Industrial Classifications (SIC).

--Prepared by Labor Market Information, Research and Analysis (1972 SIC, 1/83)

UNEMPLOYMENT STATISTICS - WHO GETS COUNTED?

The unemployment rate is such a familar indicator of economic conditions that everyone assumes they know what it means. But who gets counted - and who doesn't - can cause confusion.

Basically, the unemployment rate is an expression of all unemployed persons as a percent of the civilian labor force:

$$\text{Unemployment Rate} = \frac{\text{Total Unemployment}}{\text{Total Labor Force}}$$

(Unemployment + Employment)

Counted as unemployed are those persons 16 years or older who:

- Did not work at all during the survey week;
- Are currently available for work; and
- Made specific efforts to find a job sometime within the previous four weeks; or, were waiting to be called back to a job from which they had been laid off or were waiting to report to a new wage or salary job within 30 days.

Individuals under 16 years of age are not included in the count of unemployed. Neither are "Discouraged Workers," who are not seeking work because they believe none is available, or lack the skills necessary to compete in the labor market. Naturally, if these individuals were included, unemployment rates would differ dramatically. This is precisely the case with unemployment rates computed for the Navajo reservation. Until recently, Navajo tribal officials claimed the rate on the reservation was close to 80 percent. But in October, tribal officials reported an unemployment rate of 35.3 percent. The difference is not due to an upsurge in employment on the reservation but to a conversion to the U. S. Department of Labor system of determining unemployment.

Counted as employed are all persons 16 years and older, who, during the survey week:

- Did any work at all as paid employees (including part-time or temporary work);
- Worked in their own business or profession; or,
- Worked 15 hours or more as unpaid workers in a family business.

Also included as employed are those who were not working but had jobs or businesses from which they were temporarily absent for personal reasons, illness, bad weather, or vacations. Furthermore, those not working because of a labor dispute are counted as employed. This accounts in large part for the September drop in the unemployment rate for Greenlee County from 9.5 percent to 5.6 percent - union members striking against Phelps Dodge Corp. at its Morenci branch are counted as employed as well as those hired by Phelps Dodge to replace them.

ARIZONA UNEMPLOYMENT INSURANCE ACTIVITIES - SEPTEMBER

	September 1983	August 1983	September 1982	% Change From One Year Ago
Arizona Claimants Served**	37,642	43,043	68,025	-44.7%
Arizona Average Weeks Unemployed***	9.8	10.2	10.3	- 4.9%
Arizona Benefits Paid**	$ 12,068,404	$ 14,442,909	$ 23,492,204	-48.6%
Arizona Trust Fund Balance	$169,625,213	$177,707,565	$238,978,667	-29.0%

*Estimated **All Programs ***UI Only

Manufacturing - Gates Learjet Corp. has formed a joint venture with Rinaldo Piaggio to develop and manufacture a new turbo-prop business aircraft with a distinctive forward wing on the nose. The GP-180 will be manufactured both in Italy and the United States, with production at the Tucson plant to begin late in 1985. The target date for certification and delivery is in the fourth quarter of 1986.

Plans by Gates Learjet to recall workers to build 80 business jets to be leased to the Air Force under a recently awarded $175.4 million contract have been cut back since the company's September announcement. Recall at the Tucson plant will begin after the first of the year and will probably be less than 550 workers. The original estimate was 900.

The Navy has awarded a $1.5 million contract to the GenRad Inc., Service Products Division for printed-circuit-board-testers. The units will be used aboard ship and at shore installations. The Phoenix-based division of GenRad has 230 workers.

Mining - Phelps Dodge hopes to reopen the New Cornelia Smelter in Ajo by mid-1984 after renovation that probably will cost more than $1 million. The smelter was closed in April of 1982 because of needed repairs to the acid plant required by an agreement with the Environmental Protection Agency. Some 180 to 200 workers were idled by the closure.

Transportation - A 1,300 mile pipeline capable of carrying 800,000 barrels of heavy crude oil daily from California offshore wells to Texas is to cut across southern Arizona, according to a spokesman for All American Pipeline Co. of Wichita, Kansas. Construction will begin late in 1984 or early in 1985 and is to be completed early in 1987. Two construction crews that will operate in Arizona will tap the local labor force. Local workers also will be hired to maintain the line after it is built.

Plans for another crude-oil pipeline were announced about a year ago, by Pacific Texas Pipeline Co. of Long Beach, California. Construction is to begin next summer on that 1,026 mile, $1.66 billion pipeline, which is to carry 900,000 barrels of crude a day.

Terminal 3 at Sky Harbor Airport will be expanded to provide additional gates and space needed by America West and Northwest Airlines. The city of Phoenix will finance $7 million of the expansion cost through revenue bonds. America West and Northwest airlines plan to spend $2.5 million of their own money on the project. Completion is scheduled for July, 1984.

Utilities - Arizona Public Service Co. has agreed to sell its natural-gas distribution system to Las Vegas, Nevada-based Southwest Gas Corp. for more than $100 million. The transaction will take about a year to complete and must be approved by the state Corporation Commission.

The sale will affect approximately 650 APS employees but it is anticipated that Southwest will hire most of those workers. Southwest currently has 400 employees in Arizona. The company moved into the state in 1957 to serve Casa Grande and in 1979 purchased Tucson Electric Power Co.'s gas system.

Trade - Arizona's urban consumers plan more extensive Christmas shopping this year than last season. This is according to a survey of 560 residents of Maricopa and Pima Counties by the Behavior Research Center of Arizona. The survey found that retail shopping will be most agressive among consumers under 35 years of age and in Maricopa County.

In a parallel study conducted in 1982, close to four of every ten consumers were planning to cut back on Christmas shopping. This year, only 28% foresee reduced buying. Seven out of ten will be spending at the same or higher levels than a year ago.

Finance and Real Estate - The Arizona Banking Department has approved formation of the Bank of Casa Grande Valley with $2 million capitalization. "Economic conditions favor a community bank directed by a community-board to serve Casa Grande," says Charles Lawrence, chairman of the bank's 14-member board of directors.

Land Resources, a $220 million corporation involved in the development and sale of land in Florida and California, moved its headquarters to Scottsdale effective October 17th. The company specializes in the acquisition, sales and management of undeveloped real estate.

Services - Burr-Brown Corp.'s wholly owned subsidiary Burr-Brown International Holding Corp. has formed a new division called Burr-Brown Educational Services and Training. Programs to train microelectronics assemblers, wafer fabricators and electronic technicians have already been developed and used within Burr-Brown and will be among those to be initially marketed.

The U. S. Department of Defense has awarded GTE Network Systems a $1.3 million contract for computer software required to help modernize a worldwide defense information network. The project will be focused in Phoenix at GTE Network Systems' research and development facility.

The Blue Cross/Blue Shield Association of America awarded Tempe-based Micor-Net a $2.7 million contract to enhance and expand Plan-Net, the Blue Cross/Blue Shield nationwide data network. Plan-Net is the largest private wire health care network in the United States. Under the contract, Micro-Net will upgrade both the computer hardware and the system software to include interactive (two-way) traffic.

Corrections - A state prison to be occupied by 200 inmates by April 1st is planned for Douglas. The Arizona Department of Corrections expects within 18 months to hold a total of 800 medium-security prisoners and 100 minimum-security inmates in the prison, located in an airfield eight miles from Douglas. In addition, the Department of Corrections is in the process of acquiring two Douglas motels which will be converted into "DWI Centers" to house 250 prisoners.

The prison intends to hire as many Douglas-area residents as possible to work as guards and counselors. A training academy for guards will be conducted at Cochise Community College.

Layoffs - Maricopa County laid off 74 employees and abolished 298 other jobs on October 21st in what was termed the first phase of large-scale layoffs of employees at Maricopa Medical Center and county health clinics. The 372 positions were eliminated because of the loss of a contract under the state's indigent health services program (AHCCCS). The largest group affected by the layoffs were nursing assistants - 21 were laid off.

Adolfo Echeveste, the county's Department of Health Services director, said that the second phase of the layoffs will occur by January and will include doctors.

Hughes Aircraft Company has laid off some 70 employees at its Tucson missile plant due to a shortage of parts from subcontractors. The bulk of the workers affected are assemblers and they will be laid off for an indefinite time. Hughes employs about 6,000 people in its Tucson plant in development and production of various missiles for the military.

Closures - Cyprus Specialty Steel Co. of Phoenix closed November 30th, putting 80 people out of work. Founded in 1952, Cyprus attributed its closure to general economic conditions and a poor long-term outlook for its products, pressure vessels and storage tanks. The company had employed 300 workers just three years ago.

Reynolds Metals Co. closed its plant in Phoenix on October 21st as expected. Of the 1,150 people employed at the plant two years ago and the 310 still on the work force when the shutdown plan was announced in July, only a few caretaker people remain. However, Reynolds intends to continue development of an industrial park begun in

1978 on the surrounding acreage. To date, 15 businesses employing about 1,000 workers either have located in the park or have construction under way.

Plans Dropped - Great Lakes Paper Co. of Canada has announced that its plans to build a paper mill in Navajo County have been abandoned because of the depressed newsprint market and other economic conditions. There are no plans to construct the plant at some future time according to a company spokesman. The firm had been seriously considering two sites, one south of Holbrook and the other in the McNary area.

Strike Update - There is still no progress in the strike against Anamax Corp. which began August 1st. Al Tellex, business representative of Teamsters Local 310, one of four striking Anamax unions, has said that even if a contract settlement is reached, copper industry conditions are such that Anamax may not recall the 350 production workers immediately.

Duval Corp.'s Sierrita Mine is fully staffed and operating after a short-lived strike called by its five unions. Agreements have been signed by the Electrical Workers, which negotiated separately, and the Teamsters Union. After the Teamsters signing, the other three Duval unions in the coalition - the Steelworkers, the Operating Engineers and the Laborers - withdrew their pickets and returned to work without a contract. Duval has taken the position that the agreement with the Teamsters is not binding on the other three unions because the Teamsters have not claimed to represent all members of the bargaining unit.

Duval Corp. reportedly lost $9 million in its metal-mining operations during the third quarter of this year.

Union and company negotiations remain deadlocked on the major economic issues that led to the months long strike against the Phelps Dodge Corp. A claim by the company that the union's "pattern" bargaining technique is an illegal procedure was dismissed by the National Labor Relations Board. The unions want Phelps Dodge to agree to a new contract such as the one signed by Kennecott Co., and later by several other producers, continuing cost-of-living pay.

In a related issue, leaders of 25 non-copper unions from Arizona, California and Utah have pledged financial support for the Copper Strike Relief Fund, from which more than $200,000 already has been spent. The financial condition of Phelps Dodge workers threatened with eviction from company housing was mentioned by union leaders as one reason for their action.

Phoenix voters approved ballot Proposition 100 that provides for the automatic firing of striking city workers. Those rehired would drop one pay grade and would have to wait twelve months for their first raise. Propostion 100 also prohibits binding arbitration to settle labor disputes. Rival Proposition 101, containing a provision calling for a fact finder or arbitrator to recommend settlements, was rejected by about 58 percent of the voters.

A nationwide strike was called against Greyhound Bus Lines Inc. by the Amalgamated Council of Greyhound Local Unions. Over 12,700 employees are affected, including 7,545 bus drivers, 3,470 terminal workers, 1,012 maintenance employees and 734 office workers. Greyhound Lines, a subsidiary of Greyhound Corp., Phoenix, maintains that it needs "industry parity" with other Class 1 intercity bus carriers. Company proposals include a roll back of wages and fringe benefits to August 1981 levels, a reduction of about 17 percent. Union negotiators dispute this figure, saying that additional features of the proposed contract would actually cut wages by 20 to 25 percent.

Greyhound has announced it will hire replacement workers for those who strike. The number of Arizona employees involved in the strike include 110 in Phoenix, 55 in Tucson and 39 in Flagstaff.

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This periodical is issued and printed by the Arizona Department of Economic Security as authorized by the Wagner-Peyser Act and is paid out of federal funds granted by the U.S. Department of Labor.

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Arizona Labor Market NEWSLETTER
LABOR MARKET INFORMATION PUBLICATIONS
Site Code 733A
P.O. Box 6123
Phoenix, Arizona 85005

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